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February 26, 2001

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BY HAND

Magalie Roman Salas, Esquire
Secretary
Federal Communications Commission
The Portals
445 12th Street, SW, Room TWB204
Washington, D.C. 20554

**Re: Comments of Roseville Telephone Company
CC Docket No. 00-256**

Dear Ms. Salas:

Enclosed, on behalf of Roseville Telephone Company, are an original and 10 copies of its *Comments* in response to the Commission's *Notice of Proposed Rulemaking* in CC Docket No. 00-256.

Please contact me if you have any questions.

Very truly yours,



Paul J. Feldman
Counsel for Roseville Telephone Company

PJF:jpg

Enclosure

cc (w/encls.): Ms. Sheryl Todd
Ms. Wanda Harris (with diskette)
ITS (with diskette)
Mr. Greg Gierczak
Mr. Jack Day

**Before the
Federal Communications Commission
Washington, D.C. 20554**

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

In the Matter of)	
)	
Multi-Association Group Plan for)	CC Docket No. 00-256
Regulation of Interstate Services of)	
Non-Price Cap Incumbent Local Exchange)	
Carriers and Interexchange Carriers)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	
Access Charge Reform of Incumbent)	CC Docket No. 98-77
Local Exchange Carriers Subject to)	
Rate-of-Return Regulation)	
)	
Prescribing the Authorized Rate of Return For)	CC Docket No. 98-166
Interstate Services of Local Exchange Carriers)	

COMMENTS OF ROSEVILLE TELEPHONE COMPANY

Roseville Telephone Company ("Roseville"), by its attorneys, hereby submits these comments in response to the Notice of Proposed Rulemaking, released January 5, 2001 in the above-captioned proceedings ("*Notice*"). In these Comments, Roseville expresses support for the comprehensive plan submitted by the LEC Multi-Association Group ("MAG Plan" or "Plan"), and urges the Commission to adopt the Plan in its entirety.

**I. The Commission Should Adopt the
 MAG Plan In its Entirety, Without Modification.**

Roseville is a rate-of-return ("ROR") incumbent local exchange carrier ("ILEC") serving subscribers in the Roseville, California area, and it has been providing high quality communications services to its subscribers for over 85 years. Roseville is a mid-

sized carrier, serving approximately 132,000 access lines, and has two central offices: Roseville and Citrus Heights. As an ILEC that would be directly affected by the proposals of the MAG Plan, Roseville urges the Commission to adopt the Plan in its entirety, without modification. Adoption of the Plan as proposed would maximize the public interest benefits for consumers as well as carriers.

First, the MAG Plan addresses, in a comprehensive manner, issues involving both access charges and federal high cost support. The holistic resolution of these issues is critical if ROR carriers are to efficiently and effectively continue to provide high quality service in the new competitive environment. In addition, the comprehensive regulatory reform in the MAG Plan will eliminate the regulatory uncertainty hanging over ROR carriers since the passage of the Telecommunications Act of 1996. Elimination of this regulatory uncertainty will enable small and mid-sized ILECs to better plan for future growth, and will encourage more investment in ROR networks. The result will be even higher quality service to the public, and more rapid introduction of advanced services, especially in rural areas.

Second, the MAG Plan properly recognizes and accommodates the diversity of ROR carriers that will be subject to regulation. There are well over 1,000 ROR carriers, ranging in size from those serving a few hundred subscribers, to those like Roseville serving over 100,000 subscribers, to those rural holding companies serving multiple rural communities. Similarly, while many ROR carriers provide service in exclusively rural areas, other ROR carriers have more varied service areas, including both rural and more densely populated portions. Clearly, a "one size fits all" approach is not appropriate in these circumstances. The opportunity for carriers to initially select between Path A and Path B, and the opportunity for Path B carriers to subsequently elect Path A, will help to ensure that carriers are subject to the form of regulation most appropriate to their individual circumstances. Furthermore, the transition period for Path B carriers gives those carriers the opportunity to adjust their regulatory framework

as circumstances change, while encouraging such carriers to move to incentive-based regulation.

Lastly, and most important, adoption of the MAG Plan in its entirety will provide substantial public interest benefits for consumers. As was noted above, the Plan should promote increased investment in ROR networks, resulting in even higher quality service to the public, and more rapid introduction of advanced services, especially in rural areas. Furthermore, by lowering per-minute access charge rates, and requiring IXC's to pass through these savings to their subscribers, consumers will benefit from lower cost interexchange service. Similarly, rural consumers will benefit from access to the same interexchange calling plans made available to urban subscribers. While there will be an increase in the size of SLCs charged to end users, any subscribers burdened by that increase will be protected by an increase in Lifeline support.

II. Conclusion

Adoption of the MAG Plan will maximize the public interest benefits of consumers and all carriers. However, the Plan is a highly integrated one, and must be adopted in its entirety, without significant modification. The Commission should adopt the MAG Plan as soon as possible.

Respectfully submitted,

ROSEVILLE TELEPHONE COMPANY

A handwritten signature in black ink, appearing to read "Paul J. Feldman", written over a horizontal line.

Paul J. Feldman
Its Attorney

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